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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

AUG 17 2011

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

DOCKETED BY

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IN THE MATTER OF THE APPLICATION
OF JOHNSON UTILITIES COMPANY FOR
AN EXTENSION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY.

DOCKET NO. WS-02987A-06-0663

DECISION NO. 72531

ORDER EXTENDING TIME
DEADLINE CONTAINED IN
DECISION NOS. 69414 AND 71242

Open Meeting
August 11, 2011
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On October 16, 2006, Johnson Utilities L.L.C. ("Johnson" or "Company") filed with
the Commission an application for an extension of its Certificate of Convenience and Necessity
("Certificate" or "CC&N") to provide water and wastewater services to primarily serve a
development known as Skyview Farms.¹

2. On April 16, 2007, the Commission issued Decision No. 69414 approving Johnson's
application. Decision No. 69414 ordered Johnson to file, within two years of the Decision the
following compliance items:

- Copies of the Approval to Construct ("ATC") for the water facilities and the
General Permit for the wastewater facilities needed to serve the extension area.
- A copy of the Aquifer Protection Permit ("APP") amendment indicating

¹ The extension area encompasses two sections of land and the vast majority (except 40 acres) will be used to develop
Skyview Farms. Decision No. 69414 at 3.

approval of the expansion of Johnson's Section 11 Wastewater Treatment Plant to 4.0 MGD.

- An amendment to Johnson's Designation of Assured Water Supply ("DAWS") to include the extension area.²

3. On March 16, 2009, Johnson filed a request for a 24-month extension of time to file the compliance items in Decision No. 69414. Johnson stated that due to the slow down in the real estate market, the developer for Skyview Farms had suspended the start of the project and therefore the need for Johnson to obtain the required compliance items was also delayed.

4. On August 6, 2009, the Commission issued Decision No. 71242 granting Johnson's request for an extension of time, until April 16, 2011, to file copies of the ATC for the water facilities and the General Permit for the wastewater facilities needed to serve the extension area and to file the APP amendment expanding Johnson's Section 11 Wastewater Treatment Plant to 4.0 MGD.

5. On April 15, 2011, Johnson docketed a second request for extension of time, until April 16, 2013, to comply with the remaining compliance items. The Company's request states that "the severe economic downturn" has persisted and affected the start of the development, but that the developer has reconfirmed both its intent to proceed and its desire to have water and wastewater services provided by Johnson.³

6. On June 24, 2011, Staff filed a Memorandum stating that Staff does not object to the Company's request for further extension of time in this matter. Staff recommends that the due dates for provision of the ATC, the General Permit and the APP requirements be extended from April 16, 2011 until April 16, 2013.

7. Staff's recommendations are reasonable and should be granted.

CONCLUSIONS OF LAW

1. Johnson Utilities L.L.C. is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§40-281 and 40-282.

2. The Commission has jurisdiction over Johnson Utilities L.L.C. and the subject matter

² On March 16, 2009, Johnson docketed a copy of an amendment to its DAWS issued by the Arizona Department of Water Resources in compliance with Decision No. 69414.

³ Johnson attached to its second request a letter from a managing member of Skyview Farms confirming that the developer for Skyview has a continuing interest in having Johnson provide water, wastewater, and reclaimed water services to the development.

1 of the request for additional time to comply with Commission Decision Nos. 69414 and 71242.

2 3. Staff's recommendation that Johnson receive an extension of time, until April 16,
3 2013, to comply with Decision Nos. 69414 and 71242 is reasonable and should be adopted.

4 **ORDER**

5 IT IS THEREFORE ORDERED that Johnson Utilities LLC's request for an extension of
6 time, until April 16, 2013, to comply with Decision Nos. 69414 and 71242's requirement to file
7 copies of the Approval to Construct for the water facilities and the wastewater facilities needed to
8 serve the extension area, and to file a copy of the Aquifer Protection Permit amendment indicating
9 approval of the expansion of Johnson Utilities, LLC's Section 11 Wastewater Treatment Plant to 4.0
10 MGD, is hereby granted.

11 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

12 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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15 CHAIRMAN

COMMISSIONER

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17 COMMISSIONER

COMMISSIONER

COMMISSIONER

19 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
20 Executive Director of the Arizona Corporation Commission,
21 have hereunto set my hand and caused the official seal of the
22 Commission to be affixed at the Capitol, in the City of
23 Phoenix, this 17th day of August, 2011.

24 ERNEST G. JOHNSON
25 EXECUTIVE DIRECTOR

26 DISSENT _____

27 DISSENT _____

28 YBK:db

1 SERVICE LIST FOR:

JOHNSON UTILITIES L.L.C.

2 DOCKET NO.:

WS-02987A-06-0663

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